

REQUIRES MONITORING
OR STAFF ACTION _____

COMMISSION DIRECTIVE

ADMINISTRATIVE DEPT. _____

DATE October 27, 2004

TRANSPORTATION DEPT. _____

DOCKET NO. 2004-5-GUTILITIES DEPT. XXX

ORDER NO. _____

SUBJECT:

DOCKET NO. 2004-5-G – SC Electric & Gas Company – Annual Review of Purchased Gas Adjustment (PGA) and Gas Purchasing Policies. Hearing held: October 21, 2004. This matter is ready for final disposition.

COMMISSION ACTION:

1. The Commission found the gas purchasing policies of SCE&G to be prudent and reasonable for the twelve month period under review in this matter.
2. The Commission approved an increase to SCE&G's base cost of gas to 90.347 cents per therm effective November 1, 2004, reflecting forecasted natural gas costs and sales as documented in the record.
3. The Commission approved SCE&G's maintaining its Manufactured Gas Plant Environmental Cleanup Cost (MGP-ECC) recovery factor at its current level of 0.8 cents per therm.
4. As to SCE&G's Industrial Sales Program Rider, or "ISP-R", the Commission found that: (1) the ISP-R is an appropriate regulatory method, with benefits to the SCE&G system and all SCE&G's customers; (2) that SCE&G's ISP-R is being properly implemented by the Company; and, (3) that SCE&G's ISP-R is achieving the desired results. Therefore, the Commission allowed SCE&G to continue its ISP-R program as previously approved.

APPROVED _____

PRESIDING Mitchell

APPROVED STC 30 DAYS _____

CLYBURN Present Not Voting

ACCEPTED FOR FILING _____

FLEMING Yes

DENIED _____

HAMILTON Yes

AMENDED _____

HOWARD Yes

TRANSFERRED _____

MITCHELL Yes

SUSPENDED _____

MOSELEY Yes

CANCELED _____

WRIGHT Motion

SET FOR HEARING _____

REGULAR SESSION X

ADVISED _____

SPECIAL SESSION _____

CARRIED OVER _____

TIME OF SESSION 10:30AMRECORDED BY P. D. Riley